(b) if so, whether the proposed city side development of the airport being delayed as Defence Ministry clearance is yet to be taken;

(c) whether the delay in Visakhapatnam is likely to hold-up a similar proposal for the development of Tiruchi airport as Government planned to invite bids for both airports together;

(d) if so, the main reasons for delay; and

(e) by when the work on these projects are likely to be started and completed?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) The development of Visakhapatnam airport was taken up in two phases. In phase-I, construction of new runway, apron, isolation bay, taxi tracks, including navigational aids, which was scheduled for completion in December 2006, was actually completed in March, 2007 and since then put to operation. In phase-II construction of a new integrated terminal building was taken up. It was to be completed in December, 2007. However, this phase is now likely to be completed by mid 2008.

(b) to (e) No, Sir. The city side development of Tiruchi and Visakhapatnam airports are planned to be taken up independently but almost simultaneously. The work will commence after the selection of private partners and completion of all the requisite formalities.

User development fee at Bangalore airport

1096. SHRI B.K. HARIPRASAD: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Bangalore International Airport Ltd. (BIAL) has proposed to impose user development fee of Rs. 675/- and Rs. 955/- for domestic and international travel respectively;

(b) whether this proposal was a part of the agreement signed between the BIAL and Government;

(c) whether independent studies show that BIAL is likely to get more passengers than what was projected at the agreement stage and that additional passenger revenue could obviate the proposed imposition of user development fee; and

(d) if so, the reaction of Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) As per the provisions of the Concession Agreement entered into by Bangalore International Airport Limited (BIAL) and the Government of India (GOI), User Development Fee (UDF) can be levied by BIAL on departing international and domestic passengers. The quantum of the fee has not been specified in the Concession Agreement, and the fee is to be determined at a level which would enable BIAL to recover its cost. Pursuant to the above provision of Concession Agreement, BIAL had proposed to levy a UDF of Rs. 675/- and Rs. 955/- on departing domestic and international passengers respectively. The proposal of BIAL is under examination. BIAL has been advised by the GOI that pending finalisation of the final audited project cost, BIAL may levy ad-hoc UDF only on the departing international passengers and not on the domestic passengers. Once the final audited project cost is received from BIAL, the Government would fix the UDF to be charged.

(c) and (d) Consequent to the increase in traffic at the new airport, BIAL has also made additional investments for increasing the capacity of the new airport. Thus, the scope for cost recovery would also undergo a change.

Modernisation of non-metro airports

1097. SHRI SITARAM YECHURY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government's commitment to modernize 35 non-metro airports could not be materialized so far;

(b) if so, the reasons therefor; and

(c) whether it is also a fact that this non-materialisation of modernization in non-metro airports is becoming a stumbling block in the expansion of the sector?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (c) The modernisation of non-metro airports is proceeding as planned and would be completed, by March, 2010.

Scrapping of service tax on air tickets

1098. SHRI TARIQ ANWAR: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government is planning to scrap service tax on business and first class tickets for international journeys;

(b) if so, the details thereof; and

(c) whether Government has any such plans for domestic flights also?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

Objections to greenfield airports

1099. SHRIMATI BRINDA KARAT: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Delhi International Airport Ltd. M/s. GMR has objected to development of proposed new greenfield airport at Noida;

(b) if so, the details thereof;

(c) whether similar objections were raised by Airport Authority of India (AAI) in Hyderabad, Bangalore and other metros where greenfield airports were being set up; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) Delhi International Airport Limited (DIAL) has pointed out that as per